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**RAISED BILL 6474, AAC RESOLUTION OF LIENS IN WORKERS'
COMPENSATION CASES**

I appear here to day on behalf of the Connecticut Trial Lawyers and the many clients we represent to right a wrong that is being perpetrated on the insurance consumers of Connecticut because of the unreasonableness of worker compensation insurance carriers in not being willing to compromise and or make a contribution to the windfall they have as a result of legislation currently in effect that allows them a lien on the proceeds received from third party tortfeasors.

It had been the common practice until recently that when settling workers compensation liens in third party cases that the workers comp carrier generally made a contribution towards the settlement by making a contribution to the Claimants attorneys fees for their getting back what it had paid out in workers compensation benefits to someone injured as a result of third party negligence and for which a claim had been made. The contribution was taken by the attorney and then passed on to the claimant. Now we are finding almost universally the workers compensation carriers refuse to compromise in a meaningful way causing unnecessary delay in the resolution of claims that the parties have settled in theory but for the compensation lien. It seems that the adjusters calling the shots and there is no doubt that is the case from my

personal experience, have all attended the same seminar and now refuse to make anything but a token reduction in the compensation lien. I have had personal conversations with adjusters who have said, " Connecticut doesn't require any reduction so we are not going to give any". This is contrary to the way these cases were settled in the past and I believe has become an industry position. The workers compensation insurers position is unfair to the claimant and places unnecessary strain on the system without justifiable grounds other than profit to the carriers. I believe that this amendment is justified for the following reasons: (1) it delays settlement, (2) the carrier reaps a windfall with no cost associated with it by statute. (3) there is no provision for reduction of the lien for when the claimant is not being made whole i.e. where there is limited insurance or the claimant's comparative fault reduces the value of the case yet the comp carrier insists on 100 % return (4) this is relatively new practice (5) judges are powerless to require a reduction (6) this has now become an industry practice that will continue unless legislation mandates a change. We think the proposed legislation, while not perfect, provides a simplified system for deterring the reduction that should be allowed and will apply to all cases across the board.

**PLEASE SUPPORT RAISED BILL 6474, AAC THE
RESOLUTION OF LIENS IN WORKERS' COMPENSATION CASES**